



**STATE BOARD OF EQUALIZATION
STAFF LEGISLATIVE BILL ANALYSIS**

DRAFT

Date Amended:	04/13/09	Bill No:	AB 923
Tax:	Administration	Author:	Swanson
Related Bills:	AB 592 (Lowenthal)		

This analysis will only address the bill's provisions that impact the Board.

BILL SUMMARY

This bill would add the Members of the Board of Equalization to the list of public employees and officials whose home addresses are granted enhanced confidentiality by the Department of Motor Vehicles.

Summary of Amendments

Since the previous analysis, this bill was amended to add public health officers with authority to make arrests to the list of occupations whose home address are granted enhanced confidentiality by the Department of Motor Vehicles.

ANALYSIS

CURRENT LAW

Existing law provides that all home addresses in any record of the Department of Motor Vehicles (DMV) are confidential and shall not be disclosed to any person, except to the following: courts, law enforcement agencies, and other governmental agencies, and allows for limited disclosure to financial institutions, insurance companies, attorneys, vehicle manufacturers, vehicle dealers, and persons doing statistical research (Vehicle Code Sections 1808.21, 1808.22, and 1808.23).

Existing law also provides for additional protection of the home addresses of specified public officials and employees (referred to as the Confidential Address Program). Section 1808.4 provides enhanced confidentiality of the home address of a list of local, state, and federal officials and employees, plus the spouse and children of those officials and employees, if the included persons request it be kept confidential. The home address of these persons may only be disclosed to a court, a law enforcement agency, the Board, or any governmental agency to which, under any provision of law, authorizes or requires the DMV to furnish such information.

Section 1808.4 includes 24 classes of persons and allows them to request that their home addresses receive enhanced protection by the DMV. The list currently consists of the Attorney General, State public defender, legislators, judges, district attorneys, public defenders, attorneys and investigators employed by the Department of Justice, State Public Defender, local district attorney or public defender offices, certain city attorneys, police dispatchers, child protective service workers, active or retired peace officers, Department of Corrections employees, Youth Authority or Prison Industry Authority employees, nonsworn employees who control or supervise inmates or prisoners, county counsels in child abuse cases, city council members, county supervisors, federal prosecutors, criminal investigators and National Park Service rangers, trial court employees, county psychiatric social worker, DMV Licensing Registration Examiner, California Highway Patrol Motor Carrier Specialist 1, and Museum Security Officer.

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PROPOSED LAW

This bill would amend Vehicle Code Section 1808.4 to add a constitutional officer of the Board of Equalization, as well as certain veterinarians, code enforcement officers, and public health officers to the list of public employees and officials whose home addresses are granted heightened confidentiality by the DMV.

The bill would become effective on January 1, 2010.

IN GENERAL

The California Constitution establishes that the Board consists of five voting members, four of whom are elected from each of California's four equalization districts. The State Controller, elected at large, serves as the Board's fifth member. The Controller and four members are elected at gubernatorial elections for 4-year terms.

The Board sets the values for state-assessed properties and hears appeals of those values. It also provides certain administrative and oversight functions with respect to the local property tax. The Board also serves as the appellate body for final actions taken by the Franchise Tax Board involving the state's Bank and Corporation Franchise Tax, the Personal Income Tax, and the Homeowner and Renter Property Tax Assistance Laws.

In addition, the Board currently administers, hears and decides appeals for the following tax and fee programs: sales and use tax, Bradley-Burns uniform local sales and use tax, transactions and use tax, alcoholic beverage tax, cigarette and tobacco products tax, motor vehicle fuel tax, diesel fuel tax, interstate user tax, emergency telephone users surcharge, energy resources surcharge, insurance tax, integrated waste management fee, natural gas surcharge, childhood lead poisoning prevention fee, oil spill response and prevention fee, underground storage tank maintenance fee, use fuel tax, hazardous substances tax, California tire fee, occupational lead poisoning prevention fee, marine invasive species fee, electronic waste recycling fee, water rights fee, timber yield tax, and private railroad car tax. The Board also administers the Cigarette and Tobacco Products Licensing Act of 2003, which imposes additional licensing requirements on all retailers, wholesalers, and distributors of cigarettes and tobacco products and all manufacturers and importers of cigarettes.

COMMENTS

1. **Sponsor and purpose.** This bill is sponsored by the author in order to provide additional safety for the Board Members who are placed in sensitive positions when hearing and deciding tax appeals. According to the author's office, the inherent emotionally charged nature of these appeals creates a real risk for Board Members who can then become the target of a discontented taxpayer. By including them in the list of other public officials who are able to receive enhanced confidentiality, this will reduce the chance that a Board Member experiences violence at the hands of someone dissatisfied with the outcome of their appeal.
2. **The April 13, 2009 amendments** add public health officers with authority to make arrests pursuant to Penal Code Section 836.5, to the list of public employees and officials whose home address is granted enhanced confidentiality by the DMV.
3. **The Board Members' responsibilities place them in sensitive positions.** The Board Members constitute the nation's only elected tax commission. As previously stated, it is charged by the State Constitution and the State Legislature with administering more than 30 business and property tax and fee programs. The Board

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also assesses and allocates property values of railroads and specified utilities and oversees the property tax assessment practices of 58 county assessors.

The Board Members serve as the administrative appeal body over final actions. In this capacity, the Board Members interpret and apply the state's franchise and income tax laws. They also hear and decide appeals regarding sales and use taxes, excise taxes, fuel taxes and fees, environmental fees, insurance tax, and state-assessed property values. Some of these appeals involve tax evasion problems and fraud schemes. Should the Board Members decide that a taxpayer did intentionally fail to report and pay taxes, that person could be subject to substantial penalties and fines and/or jail time. In carrying out these duties, the Board Members can become a target for taxpayers that may be upset at the Board's decision and may be capable of violence.

The Board also adopts rules and regulations to interpret and clarify the laws it administers. The Business Taxes Committee prepares and presents proposals with regard to provisions and policies related to Board administered tax and fee laws. The Property Tax Committee prepares proposals with regard to property tax rules, and other written guidelines. Any changes to the Board's policies, rules and regulations are reviewed and decided upon by the Board Members. Only Board-approved recommendations are implemented. In the event that a taxpayer disagrees with the Board's decision, that person could potentially direct their anger and dissatisfaction at the system towards the Board Members.

4. **Related legislation.** AB 592 (Lowenthal), which is sponsored by the Board, would add the Board's limited peace officers to the list of public employees and officials whose home addresses are granted enhanced confidentiality by the Department of Motor Vehicles. This bill was referred to the suspense file in the Assembly Appropriations Committee.

COST ESTIMATE

This bill would not impact the Board's administrative costs.

REVENUE ESTIMATE

This bill would not impact the state's or local government's revenues.

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